

FISCAL NOTE

HB 2465 - SB 3000

March 19, 1998

SUMMARY OF BILL: Requires that all school buses purchased, leased, or contracted for after July 1, 1998, shall be equipped with safety belts.

ESTIMATED FISCAL IMPACT:

Increase Local Govt. Expenditures* - \$600,000 FY1998-99

Increase State Expenditures - \$259,000 FY2000-01

Assumes 500 new buses will be purchased annually with an additional cost of \$1,200 per bus to equip with seat belts. (500 x \$1,200 = \$600,000)

In addition, state expenditures are estimated to increase approximately \$259,000 in FY2000-01 with a corresponding decrease in local government expenditures.

Note: An increase in expenditures in FY1998-99 by local school systems for transportation results in an estimated increase in state funds generated by the BEP formula for transportation beginning in FY2000-01.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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